

STATE OF TENNESSEE

Office of the Attorney General



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June 23, 2004

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STATE OFFICE BUILDINGS

TELEPHONE 615-741-3491
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Honorable Deborah Taylor Tate
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

**RE: UNITED CITIES GAS COMPANY, a Division of ATMOS
ENERGY CORPORATION, INCENTIVE PLAN ACCOUNT
(IPA) AUDIT
Docket No.: 01-00704**

Dear Chairman Tate:

Enclosed is an original and thirteen copies of a Response To The TRA Staff's Motion To Set Atmos' Petition For Hearing by the Consumer Advocate and Protection Division of the Office of the Attorney General. Kindly file the attached in this docket. By copy of this letter, we are serving all parties of record. If you have any questions, please feel free to contact me at (615) 741-8700. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Russell T. Perkins".

Russell T. Perkins
Deputy Attorney General

Enclosures
cc. All Parties of Record

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BEFORE THE TENNESSEE REGULATORY AUTHORITY
AT NASHVILLE, TENNESSEE

IN RE:)
) CONSOLIDATED
UNITED CITIES GAS COMPANY, a Division of) DOCKET NO.
ATMOS ENERGY CORPORATION,) 01-00704
INCENTIVE PLAN ACCOUNT (IPA) AUDIT)

THE CONSUMER ADVOCATE DIVISION'S RESPONSE TO
THE TRA STAFF'S MOTION TO SET ATMOS' PETITION FOR HEARING

On June 16, 2004, the TRA Staff filed a motion in this consolidated case to set Atmos' petition to amend its tariff for hearing with an assertion at page 2 that the "remaining issues in this docket are not time-sensitive." In other words, the Staff wants the recently consolidated dockets to be separated and a hearing set on the most recently filed matter only.¹ The Consumer Advocate Division ("CAD") respectfully urges that the Staff's motion should be denied and the CAD's unopposed motion to set the consolidated dockets for a hearing on the merits should be granted.²

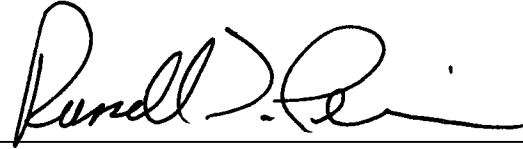
In the interest of judicial economy, this matter should proceed forward with a hearing on the merits to determine both dockets. The witnesses in both dockets will be virtually the same. Remaining discovery needs will be better accommodated if the dockets remain consolidated. Because these dockets will not be settled, the parties should proceed toward resolution of both

¹The Staff has stated that its interest in the most recently filed "TIF" docket is that it is related to the audit case, but it is seeking to defer action on the audit case. See Petition To Intervene filed January 9, 2004. The Consumer Advocate Division, therefore, is hard-pressed to understand why the Staff is involved in the "TIF" docket at all if it concedes that Atmos' petition should be granted.

²See The Consumer Advocate's Motion To Set An Evidentiary Hearing On The Merits, filed June 7, 2004. In that Motion, the CAD requested that the parties be directed to submit pre-filed testimony as part of a scheduling order.

dockets in a hearing on the merits. The CAD respectfully requests that the TRA set all issues in these consolidated dockets for a hearing on the merits and that the Hearing Officer enter an Order setting a procedural schedule for the progression of this case.³

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Russell T. Perkins", written over a horizontal line.

RUSSELL T. PERKINS

B.P.R. No. 10282

Deputy Attorney General

Office of the Attorney General

Consumer Advocate and Protection Division

(615) 741-1376

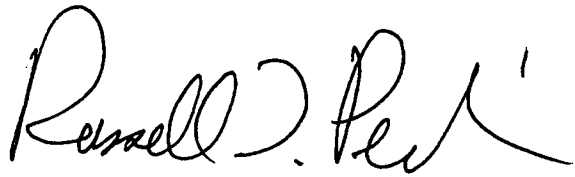
³On June 9, 2004, the Consumer Advocate proposed a schedule for getting this matter to a hearing on the merits. The other parties have not responded to this proposal.

CERTIFICATE OF SERVICE

I hereby certify that on June 23rd, 2004, a true and exact copy of the foregoing document has been mailed, first class U.S. postage prepaid, and faxed to the following:

Joe A. Conner
Baker, Donelson, Bearman & Caldwell, P.C.
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450-1800

Randal Gilliam
Office of Legal Counsel
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

A handwritten signature in black ink, appearing to read "Russell T. Perkins", written over a horizontal line.

Russell T. Perkins

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